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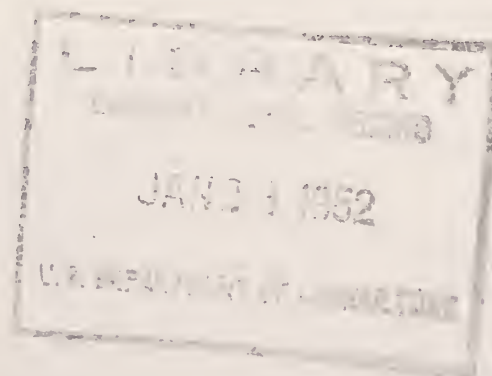
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MARKETING ACTIVITIES



U.S. DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
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MARKETING ACTIVITIES

Vol. 14 No. 12

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A recent address by Secretary of Agriculture Charles F. Brannan, entitled "Agriculture Looks to Marketing Research," contained information of interest to Marketing Activities readers. For that reason a considerable part of the address is printed below. It was made at a meeting of the Washington, D.C. chapter of the American Marketing Association.

Agriculture Looks To Marketing Research

Basically, we feel that we have a good, sound marketing system. It is a system that has helped to bring about the highest level of agricultural and industrial productivity the world has ever seen. It has helped to raise the Nation's useful employment, and in so doing has helped to raise the Nation's standard of living to its present pinnacle of progress.

We do not seek to revolutionize this system that has demonstrated its sound character. Rather, as a basic aim, we seek to improve and preserve the system we now have.

This basic aim with respect to marketing is entirely consistent with the Department's basic aim with respect to farming. That is, we are seeking to strengthen and preserve the family farm enterprise as the backbone of American agriculture. In both areas--marketing and farming--we seek to reduce costs, increase efficiency, and promote constructive competition.

To illustrate this, I want to relate a bit of the story of how the Department of Agriculture grew into its present marketing activities.

From its very beginning the Department of Agriculture has been concerned with marketing. The first congressional appropriation for agricultural work in 1839 authorized the Commissioner of Patents to expend the sum of \$1,000 for the collection of agricultural statistics and for other agricultural purposes. Facts and figures on production and supplies of agricultural products are as important in the marketing as in the production of farm produce. The original authorization was continued and included in the first legislation establishing the Department of Agriculture as a separate entity in 1862.

Through the years since the establishment of the Department, however, the great preponderance of interest and research in the Department has been directed toward farm production problems. That holds true even today.

But there has always been recognition of the fact that the production job was not completed on the farm--that farm produce had to be taken to the consumer before the job was complete.

Several factors tended to prevent the Department from directing major attention to marketing problems. One was the multiplicity of production problems awaiting attention. Another was the rather strong feeling in many quarters that the Department had no right to concern itself with problems beyond the farm.

As farmers and their customers drew farther apart and the marketing of agricultural products became more specialized and complex, the Department did receive additional assignments relating to marketing. Many of these had to do with regulatory matters assuring the public of sanitary and health protection, or assuring farmers of fair trading practices in the market places that grew larger and became further removed from the farm. Others had to do with service problems, such as the dissemination of market news and the promulgation of grades and standards for trading farm products. More and more of the research and extension functions of the Department inevitably involved marketing developments.

Farmers with the help of science have striven to raise the quality and uniformity of their products to supply the huge urban population that has grown in this country. Through plant and animal breeding, through fertilization and cultural practices, through improved harvesting methods and with constant vigilance to protect the produce until it was delivered to market, they have tried to provide what they believed consumers wanted.

But all too often the quality was lost in long and devious marketing channels, or reduced costs on the farm were absorbed in the marketing system before they could be passed on to consumers. Developments of this nature observed many times in many places finally overcame the highly controversial objections to agricultural scientists dealing with agricultural marketing problems. The Department, however, did not quickly acquire funds for this type of work. It was the Research and Marketing Act of 1946 which resolved the issue by authorizing and directing the Department of Agriculture to do marketing research, service, and educational work.

The first appropriation for these new, specialized marketing activities was made available in September 1947--just 4 years ago. Today we are able to see some of the results of this program of activity.

As the Department approached the job of launching a new marketing research and service program intended to provide benefits for marketing comparable with the notable achievements that had been attained for farm production, it was impressed with the magnitude, the scope, the variety, and the complexity of the problems involved. There was no clear-cut definition of marketing. Indeed, we do not have a completely satisfactory one yet.

One reason for this is that the marketing job in agriculture tends to be somewhat different from that of industry. If we interpret market-

ing to mean all the activities and services performed with farm production beyond the farm gate, it encompasses processing, storage, packaging, and other functions frequently classified as production functions by industrial plants. In addition, it includes the assembling, transporting, distributing, and pricing functions that are universally accepted as aspects of marketing.

In view of this situation, I feel it is appropriate to indicate briefly the several categories of work that are being conducted under the new marketing legislation as a means of showing how the Department has interpreted what constitutes marketing work for agricultural products.

On the theory that effective marketing in a competitive system requires full knowledge on the part of both buyers and sellers, a substantial share of the program is devoted to increasing the information available to participants in the market. Among the activities directed toward this end are the assembly and dissemination of reliable facts on supplies, stocks, movements, locations, disappearance, and prices of products; the preparation of current market news on receipts, deliveries, and quotations at the principal market points; and the conduct of consumer education on what is in season, how to judge quality, and how to use the products.

Another phase of the work is oriented about the products that move through the marketing system. It is largely directed toward maintaining or improving the quality of the products as they move from the farms to consumers. It seeks to reduce waste and spoilage of products which we find are very costly items in marketing margins. It seeks also to minimize quality deterioration as a means of increasing consumer satisfaction and benefits by way of more highly nutritional diets.

Here are some examples of our work to improve quality which were made possible by the Research and Marketing Act. A new type of crate for shipping lettuce and carrots keeps these products in better condition from farm to market. And the new crate permits 16 refrigerator cars to haul what formerly required 17. Arizona and California growers are now using the new crate and savings in crate breakage alone is estimated at \$300,000 a year.

The use of recently developed electrical equipment for loading out delivery trucks from wholesale stores and warehouses permits two men to do the work of three.

Department researchers have worked out a low-cost mechanical method for dumping field crates of apples which reduces bruising as much as 60 to 70 percent. They have also found that food distributors can reduce the handling costs of fruits and vegetables by 20 to 80 percent through more efficient use of their hand trucks, skids, pallets, and other equipment.

A rather surprising recent discovery is that a lot more ice than necessary is used in shipping lettuce. Western shippers can save about

\$440,000 a year by using 10 pounds less ice per crate and still get the product to market in better condition.

Grades and standards have been developed and improved to more accurately identify quality and thereby expedite the trading of farm products. Improved standards also enable the market to reflect quality premiums back to the producers. We cannot expect farmers to strive harder for higher quality production unless they are compensated for their efforts.

Another part of the program is directed toward improving the market place itself. More than 60 different cities in producing areas have requested the Department's aid in studying the adequacy of their market facilities and recommending plans for improvements of such facilities which will reduce their cost of operation and deliver the products in better condition to the consumers.

Detailed studies have been made in some 35 localities, and new wholesale market facilities have been built or are in the process of construction in 15 of these places. The inadequacy of many of the wholesale produce markets of the country has been the subject of five Federal investigations over a period of 40 years. The Agricultural Marketing Act of 1946 (Title II of the Research and Marketing Act of 1946) instructed the Department to work with the localities that need improved facilities and help them to determine the specific nature of the facilities needed in each place. This was the first organized effort to do anything about this problem, although the problem has been widely recognized ever since World War I.

In cooperation with food retailers, our specialists working under the marketing research program have developed an improved check-out counter which increases the productivity of the checker in a retail self-service food store by some 38 percent, thus effecting a considerable reduction in the cost of performing the check-out operation, speeding up the flow of people through the check-out counters, reducing the congestion in the stores, and increasing the efficiency of the parking lot. Within less than 6 months after the report on this study had been released, these counters had been installed in more than 1,000 retail food stores.

In a sense all of the work conducted under the Agricultural Marketing Act has as its ultimate goal the reduction of marketing costs through increased operational efficiency. Most of the work I have been describing might be classified as indirect approaches to this goal. Some work goes more directly to the problem by studying the costs and margins themselves. This includes the measurement and comparison of them from place to place, from time to time, or from firm to firm. The analysis of these measurements helps businessmen to identify the points of inefficiency in their operations so that they can be corrected. Such analysis also helps the research workers to direct their efforts to the places where they can do the most good in assisting business operators.

As our research has provided a greater insight into agricultural marketing, I have been struck with the similarity of problems confront-

ing farm and market enterprises.

For example, the hundreds of thousands of retailers selling farm products, like the millions of farmers producing them, are essentially small enterprisers who are completely occupied with their business operations. They have neither the time nor the opportunity to conduct their own research or to keep abreast of research results appearing in technical publications. But when research shows how they can operate more efficiently and the results are brought to them through practical demonstrations, they are quick to adopt new ways.

Likewise, the numerous urban fresh produce dealers cannot individually plan and construct modern facilities. They need the help of experts to make the blueprints and organize the tremendous undertakings necessary. This help can be furnished by agencies dedicated to public service because the benefits derived from aiding these dealers to establish more satisfactory, less costly markets are shared by the producers and consumers as well as the tradesmen themselves.

In conclusion, I want to state my conviction that the results appearing from marketing research indicate that science can do for marketing as much as it has done for agricultural production.

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1952 FLUE-CURED AND BURLEY TOBACCO MARKETING QUOTAS PROCLAIMED

National marketing quotas for 1952 for flue-cured and Burley tobacco were proclaimed on November 28 by Acting Secretary of Agriculture Clarence J. McCormick. The proclamation, required by the Agricultural Adjustment Act of 1938, as amended, results in individual farm acreage allotments for 1952 about the same as in 1951.

The flue-cured quota for 1952 was set at 1,357,000,000 pounds, as compared with 1,297,000,000 pounds in 1951. The Burley quota for 1952 was set at 591,000,000 pounds, as compared with 580,000,000 pounds for 1951.

Converting the flue-cured poundage quota to acres on the basis of the 1946-50 average yields per acre results in 1952 acreage allotments totaling about 1,130,000 acres, as compared with 1,119,500 acres for 1951. Converting the Burley poundage quota results in 475,000 acres, as compared with 472,000 acres allotted for 1951. As in the past, a small acreage will be held in reserve for establishing allotments for farms upon which no flue-cured or Burley tobacco has been grown during the past 5 years and for adjusting allotments for farms where the local Production and Marketing Administration committees find allotments to be inequitable.

Quotas have been in effect on both flue-cured and Burley tobacco each year since the enactment of the Agricultural Adjustment Act of 1938, except for 1939, when they were disapproved by the growers.

More Power to Maple Sirup

By Carl F. Speh

Another example of the commercial value of experimental work of the U. S. Department of Agriculture under the Research and Marketing Act of 1946 has recently been shown in developments in the maple sirup industry.

A process to strengthen the natural flavor of maple sirup so that it makes superior blends and other maple products has been adopted by several commercial firms and a farmer-owned cooperative association. All these organizations are now marketing the maple sirup concentrates. The process was developed by scientists of the Bureau of Agricultural and Industrial Chemistry's Eastern Regional Research Laboratory in Philadelphia, and announced by the Department in the spring of 1950.

In addition, a firm in Minnesota has adapted the same process to the manufacture of pure maple concentrate in solid form, and is now marketing it. This concentrate, combined with cane sugar and water, can be used to make a richly flavored blended sirup. In other combinations it gives the maple flavor to many delicacies.

During 1951, further progress had been made at the Eastern Regional Research laboratory on color and flavor, and the scientists there had succeeded in identifying 14 of the organic acids that are present in maple sirup and which are thought to contribute to its flavor.

The New Process

It was during this continuing research on maple products at the laboratory that the scientists succeeded in developing the new process which intensified manyfold the flavor of maple sirup and sugar. At the time the discovery was announced, BAIC pointed out that it was expected to expand outlets for better-quality maple sirup and help give consumers improved maple products at lower cost.

During research it was found that by heating maple sirup for 2 hours at a temperature of 250 degrees Fahrenheit a dark sirup could be produced which had a 4 to 6 times stronger flavor than the original product.

The heating is done at atmospheric pressure and the water lost by evaporation is restored after heating is completed. The equipment used is designed to keep this moisture loss at a minimum. Although the characteristic maple flavor is intensified by the process, little or no non-maple flavor is developed. At the time of its announcement last year

the Bureau estimated the cost of the treatment, which can be used with all grades of sirup, at about 10 cents a gallon.

This strengthened and darkened maple sirup can be diluted with cane-sugar sirup to make a full-flavored maple-sirup blend that is practically indistinguishable in taste and appearance from the best grades of pure sirup, although it costs less. Work also has been done by Bureau scientists at the Philadelphia laboratory on use of the strengthened sirup in ice cream, bakery products, and other foods.

Research on Maple Sugar a Recent Development

Although maple sirup and sugar are among the oldest of American farm products, it is only in recent years that they have become the subject of much research. Even now, it is not known exactly what it is in the maple sap that is responsible for the inimitable flavor to these so-called luxury items.

It is known, however, that this characteristic flavor is not present in the sap, but is developed during the boiling which is necessary to produce the sirup. Scientists have little doubt that the flavor is brought about by the action of heat on one or more of the constituents of the maple sap as it is concentrated by boiling.

Research during the past year at the Eastern Regional Research laboratory by BAIC scientists on flavor and color of maple sirup should assist in answering this question.

Reporting on maple sirup research in the Agricultural yearbook for 1950-51, C. O. Willits, BAIC scientist at the Philadelphia laboratory, explained:

"Maple sirup contains about 35 percent water and about 65 percent solids.

"Of the solids, the sucrose accounts for about 92 percent; reducing sugars as invert, 5.5 percent; and ash, 1 percent. The undetermined constituents that make up the remaining 1.5 percent are proteinaceous material (proteins, amino acids, and polypeptides), organic acids, and phenolic compounds....

"...Analyses show nothing to justify the luxury prices of maple products except the 1.5 percent of undetermined constituents. It is in this fraction that we must surely find the flavor, which alone justified the cost....

"...The amount of the flavoring material, or the amounts of the substances that make up the material, are extremely small; they account for less than 0.1 percent of the weight of the sirup. We know that the flavoring material is of a complex nature, and so the task of isolating and identifying it at best will not be simple. Fortunately, the past few years have brought the development of new analytical tools, which will help reveal this unknown quantity."

Not a New Product

Origin of the production of sirup and sugar from maple sap is lost in history. The earliest explorers of North America found the Indians making maple sugar. Early reports from along the St. Lawrence River show that the Indians there produced enough to make it an article of trade. A letter written in 1648, quoted in the USDA's Yearbook of Agriculture, 1950-51, notes the enclosure of some maple sugar and says:

"It was sent from Canada where the natives prepare it from said juice, 8 pints of sirup yielding commonly a pound of sugar. The Indians have practiced it time out of mind; the French began to refine it and turn it to much advantage."

The early settlers took up this discovery of the Indians. Almost everyone is familiar with pictures of making maple sirup in a large black pot over an open fire in a snowy clearing in the woods. Most of the present commercial production of the product is done in so-called flue-type evaporators, and research is underway on more modern streamlined methods.

Production of maple sirup has spread from the New England and the Northern States where it began. The U. S. Crop Reporting Board of the Bureau of Agricultural Economics, USDA, now reports on production of maple sirup and sugar in 11 States. In the order of their production volume they are: Vermont, New York, Michigan, Ohio, Pennsylvania, Wisconsin, Minnesota, New Hampshire, Massachusetts, Maine, and Maryland.

Maple sap as it comes from the tree is essentially a dilute solution of sugar in water. The sap may contain from less than 1 percent up to 9 percent of sugar, although the sap normally averages 2 to 3 percent of sugar. It takes 86 gallons of 1-percent-sugar maple sap to produce 1 gallon of sirup. If the percentage of sugar in any particular maple sap is known, the number of gallons required to yield a gallon of sirup can be calculated by dividing 86 by the percentage of sugar in the sap. Thus, a 3-percent-sugar sap requires less than 29 gallons for a gallon of sirup, and a 2-percent-sugar sap requires 43 gallons.

Naturally, it would be desirable to have maple trees that yielded sap of higher sugar content. Considerable research has been done by the Vermont Agricultural Experiment Station and other agencies to find the causes for high concentration of sugar in the sap of some few maple trees.

Results of such a study were published by W. R. Anderson in the July-August 1951 issue of Ohio Farm and Home Research, a publication of the Agricultural Experiment Station of that State. Here are some quotations from that article:

"The best producing sugar bushes that have been observed are groves consisting of pure stands of large, open-growth, hard maple trees.

"They will never produce valuable logs due to the short limby boles; but in this day of specialization, the maple producer should consider producing maple timber as secondary to the production of products derived from maple sap. Long-term records show the production of maple sirup

and related products to be far more profitable than the production of timber.

"...The farmer setting out to improve his maple operation may soon find that the problem is not as complex as it may appear at first. Since his objective should be to gradually eliminate all species excepting sugar maple, he will be working primarily with only one tree species--the tolerant sugar maple--which will reproduce and survive in fairly dense shade.

"The reason most maple trees growing in the open are high producers is because of the vast amount of leaf surface exposed in the large, limby, spreading crowns, and the large root system, which develops about the same circumference as the crown. One of these large, healthy trees will produce more sap of greater sweetness than four smaller, crowded forest-grown trees growing in the same space.

"Heavy thinning in dense, young stands of hard maple, coupled with the removal of other tree species, will develop an ideal sugaring stand. Such thinnings are ideally suited for the production of firewood, sugarwood, and sawlogs for farm use.

"The development of this large limby type of tree in the sugar bush, without other species present to rob the potential sugar-producing space, should result in a sugar bush capable of enormous yields compared to present standards."

At the time the flavor-strengthening process was announced, BAIC pointed out that its laboratory researchers worked closely with maple cooperatives and other groups interested in maple-sirup production to get the new heating treatment ready for practical use.

Detailed information about the process is set forth in a Bureau publication, AIC-269, "Maple Sirup; II; A New High-Flavored Maple Sirup," by C. O. Willits and W. L. Porter of the Eastern Regional Research Laboratory. Another publication, outlining all phases of the maple-sirup investigations, is AIC-268, "Maple Sirup; I; Research on Maple Production at the Eastern Regional Research Laboratory." Both publications are available at the Eastern Regional Research Laboratory, Philadelphia 18, Pa.

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NEW PROCESS MAKES VITAMIN B₁₂ FEED SUPPLEMENT

A new commercial source of vitamin B₁₂ for supplemental use in feeds is now available to feeders and the feed industry as a result of recent research by USDA at its Western Regional Research Laboratory. The supplement is the result of fermentation of sugar-containing by-products such as sugar-beet molasses (along with other nutrients) by selected strains of *Bacillus megatherium*. The product is a light tan, malty flavored powder that combines easily with feeds.

Farm Goals Call for Record Yields

If the 1952 production goals announced at the end of November are attained, total U. S. farm production next year is expected to be 4 percent greater than the record production indicated for this year and nearly 50 percent greater than the 1935-39 prewar average. These goals, along with those formerly announced and the high level livestock output expected in 1952, are part of the USDA drive for a new high record in total farm production next year.

At the same time, USDA announced the levels at which the prices of corn, cotton, soybeans, rice, wool, mohair, milk, and butterfat produced in 1952 will be supported by the Commodity Credit Corporation. Both the goals and the support levels were announced well in advance of the planting season to permit farmers enough time for the needed volume of production.

"The need for agricultural production in 1952, especially feed grains, is the greatest we have ever faced," said Acting Secretary of Agriculture Clarence J. McCormick in announcing the program. "For that reason we are asking farmers to push for higher yields in general and to produce food and fiber on about 3,000,000 more acres of crop land than ever before. The challenging level of the goals reflects the strong demands of military preparedness, our growing population, our rising standard of living, and our great efforts to share our production with those nations which are joining us in the defense of freedom.

"Production at the goal level will require increased yields per acre in all major crops, and selective acreage expansion in those most needed to insure our economic stability in these pressing times," continued the Acting Secretary. "The task for farmers is made more difficult because their need for fertilizers will be far greater than the supply. At the same time, farm machinery production in 1952 will be considerably less than farmers desire because of diversion of critical materials to the military program. Regional labor shortages will occur because of the movement of rural workers to the armed forces and to industrial centers. While the Department will do all it can to offset these shortages, such scarcities are warning signals that we must bear down harder on all other possible ways of increasing production.

"The goals we have set will challenge our productive capacity. While they will meet all our essential military and domestic requirements in 1952 and provide for exports at current levels, they will not build desirable reserves. Even with the crowded schedule of land use we have outlined, and with average weather, we cannot expect any improvement in feed grain stocks or any material change in cotton.

"We must reverse the current down-hill trend in feed grain stocks. The 3,000,000 more acres of crop land we are asking farmers to press into production this year will help reverse the trend, but sound land use practice is a limiting factor in further crop land expansion. Even greater production in 1952 would be necessary to build reserve stocks to desirable levels in addition to meeting current requirements.

"This situation emphasizes the need to see that every possible measure of efficiency is followed in the handling of the acres which are in use. With definite limits on available crop land, our farmers must depend primarily upon increased yields in turning out the production which will be needed. The goals program definitely recognizes this fact. It calls for selective acreage increases for more urgently needed crops, to the extent which is practicable, but it emphasizes the general necessity for increased yields.

"Under conditions of great demand and limited facilities for production, the goals program establishes a land-use pattern which will most nearly meet all needs. For 1952 the program must be more than a guide for acreages--it must be a concerted drive to match the desired acres with the production practices which will do most to increase yields. This will require extra effort by all those upon whom the farmer relies--the manufacturers and distributors of machinery, fertilizers, and pesticides, and the agencies which help the producer secure needed labor and credit and those who furnish him information on proved practices and new techniques. Only through such a coordinated effort will our production fill the over-all need."

The 1952 production goals were determined in cooperation with State Agricultural Mobilization Committees, and they follow a close review of all needs for farm products in 1952. In shaping the goals, special attention was given to the appraisal of attainable production in 1952 made in cooperation with the land-grant colleges.

The goals reflect the maximum practicable increases in the production of feed grains vital in meeting the increasing demand for livestock products. Cotton production is continued at a high level because of its great importance to the economic and military strength of the United States and the rest of the free world.

Under the greater emphasis on feed grain production, farmers are being asked in 1952 to give corn and grain sorghums prior claim over all less productive grain crops. This emphasis is essential to the maintenance of increased livestock numbers. To reach the national production goal of 3,375,000,000 bushels of corn, slightly higher yields will be required on a suggested 89,000,000 acres--about 3,000,000 more than were planted this year. A 20 percent increase in production is suggested for grain sorghums although even a larger quantity of this corn substitute could be utilized. Feed grain output must be supplemented by a high level of production of all grasses and roughage. Accordingly, hay and pasture seed goals reflect the continued need for a high acreage of improved quality roughage.

The cotton goal of 16,000,000 bales is the same as announced for 1951. Production of this level would fill all prospective domestic requirements and exports to friendly nations, and provide for a slight rebuilding of stocks. Since the 28,000,000 acres suggested for cotton is less than the estimated acreage in cultivation on July 1 of this year, a production of 16,000,000 bales will call for an increase in yield.

A soybean goal has been set at 276,000,000 bushels on an acreage of 13,000,000--about the same as this year. Although the goal of 4,000,000 acres of flax will, with normal yields, result in a production somewhat less than disappearance, a higher goal was not established because of existing stocks of linseed oil and the stronger need for feed grain production in the flax growing areas.

The 1952 wheat goal was announced July 21 of this year. Goals for those States in which spring wheat is a major crop will be reexamined late in December, after the first official estimate of winter wheat acreage is available.

The goals for potatoes and winter- and spring-grown vegetables for fresh market have already been announced. Announcement of goals for remaining acreages for vegetables for fresh market and for all vegetables for processing will be made in January 1952.

The price support levels announced along with the goals program, plus those already announced for fall and winter plantings, are essential price assurances to the producer. Such assurance, providing minimum or "floor" prices, will make it possible for farmers to plan the high-level production which is needed without fear that large production might, under some conditions, force prices to inequitable levels.

The 1952 support price levels for corn, upland cotton, rice, wool, milk, and butterfat have been set as of the beginning of the marketing year at 90 percent of parity, the maximum permitted by the sliding scale under existing legislation. Minimum dollars-and-cents levels for each commodity will be announced as soon as possible and well before planting time. Mohair (for which legislation requires support) will be supported at 75 percent of parity, as of the beginning of the marketing year. Soybean support has been set at a level which will reflect 90 percent of the parity price as of December 1, 1951.

The support level for wheat previously was announced at 90 percent of the parity price at the beginning of the marketing year, as of July 1, 1952, but not less than \$2.17 per bushel. Also previously determined and announced support levels reflect 80 percent of parity as of September 1, 1951, for grain sorghums, barley, oats, rye, and flaxseed.

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GUM NAVAL STORES LOAN PROGRAM ANNOUNCED

The support level will be established at 90 percent of the parity price of crude pine gum naval stores as of December 1 under a newly announced price-supporting loan program for 1952-crop gum naval stores.

Feed conservation is a very important part of the agricultural program for the coming year. The material in the following article is drawn largely from the discussion of feed conservation measures that are set forth in the 1952 Production Goals Program handbook.

It's Time To Conserve Feed

In 1951, the United States produced about 400 million bushels of feed grains less than it probably will use during the 1951-52 feeding year. This situation, coming at a time when feed reserves are unusually low, means that we must make the best possible use of the stocks on hand. One of the best ways to stretch feed stocks is to kill rodents and insects and to improve poor storage conditions and inefficient handling--causes of waste which each year result in the loss of an estimated 750 million bushels of grain.

Rats and Insects

Every year, rats and insects destroy enough feed to fill the gap between our current short supply and comfortable stocks. The U. S. Department of Agriculture, in its 1952 Production Goals Program, is stressing the seriousness of this vast destruction. A part of the program is a feed conservation drive aimed at cutting down the losses through use of the latest rat and insect control methods.

Rat control calls for constant vigilance and precautions. Before and after grain is stored, trash and loose feed must be cleaned out of the bins. Hungry rats are easily poisoned. They can be killed with red squill and the relatively new drug Warfarin, as well as with fumigants and traps.

Insect control includes thorough cleaning of grain before it is stored, good storage facilities (clean, tight, fumigated bins or cribs), and frequent inspection during storage.

So far, no shortage is indicated for red squill, Warfarin, or other rodenticides. Grain fumigants, however, are generally scarce and are expected to continue so in 1952. Carbon tetrachloride and carbon disulfide, raw materials used in the manufacture of most liquid grain fumigants, are not being produced in sufficient quantities to fill agricultural and industrial demands. Farmers and grain storage supervisors who have a choice should plan to make use of the basic formula that contains ethylene dichloride and a lesser proportion of carbon tetrachloride.

More and better storage facilities are needed on farms--more of permanent facilities for grain, particularly for corn and small grains--and more of improved temporary storage facilities. In 1952, adequate supplies of most of the types of materials needed for building farm

storage facilities will be available in most areas. Grain should not be stored on the ground.

In the Corn Belt, the amount of corn stored in temporary, round, open-top cribs should be held to the minimum. If some storage of this kind is necessary, cover should be provided as a means of reducing the heavy losses of corn that have occurred in temporary structures in recent years.

Losses and lowering of feed quality which are the result of overheating and molding may be prevented if grain and hay of high-moisture content are dried mechanically. Where mechanical drying of damp corn is not possible, extra ventilation should be provided by means of more ventilators and air passageways, and through the use of narrower cribs. Hay dryers, if they are available, are useful in preventing spoilage and providing higher quality feed. Thorough screening out of shelled corn and dirt will prevent formation of spoilage pockets composed of shelled corn, silks, and fine trash.

Publications

Information that outlines effective control measures against rats, insects, and losses from spoilage has been prepared to suit regional conditions and varying types of equipment. Listed below are a number of useful publications which have been prepared by several USDA agencies and by the Fish and Wildlife Service of the Department of the Interior. Copies are obtainable from the Office of Information Services, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

Storage of Ear Corn on the Farm. Farmers' Bulletin 2010. 27 pp. Bureau of Plant Industry, Soils, and Agricultural Engineering; Agricultural Research Administration; USDA.

Storage of Small Grains and Shelled Corn on the Farm. Farmers Bulletin 2009. 30 pp. Bureau of Plant Industry, Soils, and Agricultural Engineering; Agricultural Research Administration; USDA.

Grain Bin Requirements. Circular 835. 23 pp. Bureau of Plant Industry, Soils, and Agricultural Engineering; Agricultural Research Administration; USDA.

Mechanical Drying of Corn on the Farm. Circular 839. 26 pp. Bureau of Plant Industry, Soils, and Agricultural Engineering; Agricultural Research Administration; USDA.

Role of Fungi in the Heating of Moist Wheat. Circular 838. 26 pp. Bureau of Plant Industry, Soils, and Agricultural Engineering; Agricultural Research Administration; USDA.

Control of Insect Pests of Grain in Elevator Storage. Farmers' Bulletin 1880. 22pp. Bureau of Entomology and Plant Quarantine; Agricultural Research Administration; USDA.

Control of Insects Attacking Grain in Farm Storage. Farmers' Bulletin 1811. 24 pp. Bureau of Entomology and Plant Quarantine; Agricultural Research Administration; USDA.

Evaluation of Fumigants for Control of Insects Attacking Wheat and Corn in Steel Bins. Technical Bulletin 1045. 20 pp. Bureau of Entomology and Plant Quarantine; Agricultural Research Administration; USDA.

Save Farm Grain by Fumigation. Supplement to Farm Mobilization Fact Sheet No. 1--Grain Conservation and Storage. 3 pp. Office of Information, USDA.

Control of Destructive Mice. Conservation Bulletin 36. 37 pp. Fish and Wildlife Service, U. S. Department of the Interior.

Rat Proofing Buildings and Premises. Conservation Bulletin 19. 26 pp. Fish and Wildlife Service, U. S. Department of the Interior.

Rat-Control Methods. Circular 13. 16 pp. Fish and Wildlife Service, U. S. Department of the Interior.

Use of Warfarin for the Control of Rats and Mice. Fact Sheet. 4 pp. Fish and Wildlife Service, U. S. Department of the Interior.

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DEFENSE NOTES

Policy Board Urges Recognition of Agriculture as Essential Defense Industry.--A statement developed by the National Agricultural Mobilization Policy Board and transmitted recently to Charles E. Wilson, Director of Defense Mobilization, by Acting Secretary Clarence J. McCormick, emphasized the essentiality of agriculture in the defense effort. The board, which consists of 15 non-Government officials prominent in the field of agriculture, had made a careful appraisal of the policies and programs of USDA for securing supplies of food and fiber adequate to meet the requirements of the defense program, and based its statement upon the conclusions it had reached.

The board noted the rise in U. S. population, the rising rate of per capita consumption of food and fiber, the increase in agricultural exports, and the vast new needs for farm products created by military demands. It predicted that what now represents emergency demands upon agriculture will, in a matter of years, become normal demands to meet the needs of our expanding population.

Stressing the need for planning agricultural production at least a full crop-year ahead, the board pointed out that food and fiber shortages developed in both World War I and World War II because of a failure to provide for the manpower and materials necessary to maintain the necessary level of production. The board stated its conviction that agriculture must be recognized in basic mobilization policy as an essential

defense industry which is entitled to have earmarked for it industrial raw materials to produce needed machinery, equipment, supplies, and other facilities necessary for meeting production goals. It urged that specific directives giving recognition to the importance of farm production and essential farm supplies be promulgated by top mobilization officials throughout every unit of their agencies.

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Farm Equipment Retail Ceilings Set Near Present Levels.--Ceiling Price Regulation 100, covering retail sales of new and used farm equipment and repair parts, was issued by the Office of Price Stabilization on December 4, 1951. It is not expected that the new regulation will materially affect the general level of retail prices prevailing before its issuance, OPS officials said, since it is based generally on the industry's historical pricing practices. In general, the order establishes ceiling prices on the basis of manufacturers' current published list prices, f.o.b. factory, plus a handling and service charge of 5 percent and a charge for inbound transportation.

Ceilings are also set for the prices farmers can get when they sell their used equipment. If the used item being sold is less than 2 years old, the price will be limited to 85 percent of the manufacturers' list price on new equipment; if the equipment is more than 2 years old, the limitation is set at 70 percent. The ceiling on reconditioned equipment that the dealer guarantees may be as much as 95 percent of the manufacturers' list price for a new model.

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Federal Civil Defense Administration and USDA Reach Agreement on Food Supplies for Defense Emergencies.--A Federal Civil Defense Administration emergency food supply policy memorandum and advisory bulletin, incorporating an agreement recently reached between USDA and FCDA, has been forwarded to State Agricultural Mobilization Committees by Under Secretary Clarence J. McCormick. Outlined in these documents is a plan for developing a program of food supply and distribution activities and an effective emergency civilian feeding program for use in the event of a defense emergency in this country. Established commercial food handlers, according to the plan, will be asked to cooperate in planning, organizing, and carrying out food supply and distribution operations under emergency conditions. Home or public "stockpiling" of food will be discouraged. This arrangement is in line with cooperation given by the Department to FCDA on its over-all program.

Mr. McCormick pointed out in his memorandum that on the State and local level, the planning and organization for emergency food supplies must take into account more than the problems of supplies available through wholesalers and retailers. For such reasons it was agreed that the State and County Agricultural Mobilization Committees and farmers be included as a source of assistance in planning for civil defense emergency food supplies.

Marketing Briefs

(The Production and Marketing Administration announcements summarized below are more completely covered in press releases that may be obtained on request from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. by citing the code number given at the end of each item.)

Dairy Products.--The Federal milk marketing orders of Clinton, Iowa, and of the "Quad Cities" (Davenport, Iowa, and Rock Island, Moline, and East Moline, Ill.) have been merged, effective December 1. The change was made because of the close relationship between the two markets. (USDA 2818-51)... Minimum Class I (chiefly bottled milk products) milk prices to producers under the Springfield, Mo. Federal milk marketing order must be at least equal to St. Louis order Class I prices in the Springfield area from July through March in an amending action to the Springfield order. (USDA 2847-51)... A proposed Federal marketing order to regulate the handling of milk in the Fort Smith, Ark. marketing area will be considered in a hearing at Fort Smith on January 7. (USDA 2873-51)... Early in December USDA issued proposed standards for grades of Swiss cheese. The standards would be based on flavor; body; eyes and texture; finish and appearance; salt; and color. They would establish the following grades: U. S. Grade A; U. S. Grade B; U. S. Grade C; and U. S. Grade D.

Fruits and Vegetables.--The fresh winter PEAR export payment program was terminated on November 30. Under the program, export payments of up to 50 percent of the f.a.s. price (but not more than \$1.25 per box) were made to U. S. exporters of winter pears to encourage exports of this fruit to specified countries. (USDA 2777-51)... A proposed revision of U. S. standards for grades of processed RAISINS would add a new size classification for Thompson Seedless raisins to be designated "Select," and add size classifications also for Seeded Muscat raisins, to be designated as "Select," "Small," and "Mixed." (USDA 2879-51)... USDA has purchased 186,460 cases of twelve No. 3 cylinder cans of concentrated ORANGE JUICE (3 to 1 ratio) for distribution to school lunch programs and other eligible outlets. Delivery will be made between January 7 and February 9. (USDA 2962-51)

Grain.--There will be no marketing quotas and no acreage allotments on the 1952 crops of CORN and RICE, USDA announced November 28. The supply of the two commodities is below the quantity that would require marketing quotas under provisions of the Agricultural Adjustment Act of 1938, as amended. (USDA 2831-51)... Through October, farmers had put 201,767,099 bushels of 1951-crop WHEAT, BARLEY, OATS, RYE, CORN, GRAIN SORGHUMS, SOYBEANS, AND FLAXSEED, under Commodity Credit Corporation price support. (USDA 2849-51)... Continuation of a high level of grain exports since the beginning of the 1951-52 marketing year in July carried the July-October exports of WHEAT, FLOUR, and MACARONI to an estimated 4,020,000 long tons or 150,154,000 equivalent bushels, as compared with 1,868,000 long tons or 69,640,000 bushels in the like period of 1950. (USDA 2835-51)

ABOUT MARKETING

The following publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.:

1952 Production Goals Program--Potatoes. October 1951. 8 pp. (USDA) (Processed)

Livestock Market News Statistics and Related Data, 1950. Statistical Bulletin 104. November 1951. 65 pp. (PMA) (Processed)

Consumer Purchases of Selected Fresh Fruits, Canned and Frozen Juices, and Dried Fruits in October 1951. November 1951. 26 pp. (PMA and Bureau of Agricultural Economics) (Processed)

Tentative Grades for Unsorted Havana Seed Tobacco of Type 52. Revised November 1, 1951. 14 pp. (PMA) (Processed)

Tentative Standard Grades for Sorted and Unsorted Broadleaf Tobacco of Type 51. Revised November 8, 1951. 14 pp. (PMA) (Processed)

Commodity Credit Corporation Charts Providing a Graphic Summary of Operations, 1933--June 30, 1951. December 1951. 65 pp. (PMA) (Processed)

United States Standards for Grades of Frozen Concentrated Grapefruit Juice. Effective December 10, 1951. 19 pp. (PMA) (Processed)

United States Standards for Grades of Canned Pears. Effective December 1, 1951. 36 pp. (PMA) (Processed)

Consumer Fruit and Juice Purchases, July-September 1951, by Regions and Type of Retail Outlet. December 1951. 59 pp. (PMA and Bureau of Agricultural Economics) (Processed)

Inspection and Sanitation Requirements of the Federal Meat Grading Service. December 1951. 22 pp. (PMA) (Processed)

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